

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

AL-818
Exp 82
-472

News and Views

from the Farm Management Staff

UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL EXTENSION SERVICE
Division of Agricultural Economics Programs
Washington 25, D. C.

September 14, 1961

SPECIAL EDITION for Farm Management Extension Workers

THE RELATIONSHIP OF RAD TO FARM MANAGEMENT

You are no doubt aware of the top priority that is being given to the Rural Areas Development Program by Secretary Freeman and by Dr. York, Administrator of FES. In order to support and effectively carry out the RAD Program, the agencies of the Department of Agriculture are being asked to reorient their programs so as to make their maximum contributions to RAD.

How can farm management work be oriented or directed so as to make an optimum contribution to RAD? For one thing, some of you may be, or already have been, asked to take direct responsibilities in carrying out the over-all RAD Program. This will involve shifting some of your time away from farm management work per se. We feel that many farm management workers are highly qualified to work in the broader aspects of RAD.

Second, it may be possible and feasible to concentrate regular and special farm management programs and activities so that they will fit into the RAD Program. This would be especially true where any significant potential exists for agricultural production in the RAD areas of your State. In such areas farm management work, in conjunction with the RAD Program, can be highly complementary in terms of speeding up needed agricultural adjustment. To emphasize the possible complementarity of such an interrelationship the following excerpt is quoted from Dr. York's speech at regional conferences on RAD during July and August:

"Once an economic development plan for an area is formulated, then there will be an opportunity for a good part of our total extension effort to be focused on the implementation of such a plan. In this respect, Rural Areas Development might well encompass activities and efforts on the part of a good portion of a total extension staff. Consequently, I would not consider this phase of RAD (that of educational leadership) separate and distinct from our regular on-going extension program, other than the fact that it would be oriented toward the fulfillment of a specific economic development plan.

"Basically, I look upon RAD as more of a method or technique which can greatly increase the effectiveness of many phases of our regular on-going extension effort."

We have put together the following list of specific farm management programs and activities, which it seems to us (depending on the area situations) may make significant contributions to implementing RAD work.

1. Leaflets or publications applicable to specific RAD areas in your State might be prepared which would indicate the individual farm requirements of land, capital and labor that would be typically required to produce given levels of income with given organizations of enterprises. For example, estimates may be given of the amount of various resources usually needed to produce \$3,000 of labor income on a cotton farm with varying management levels for a particular RAD area.
2. Similar types of publications could be prepared, as indicated in number 1 above, for part-time farming possibilities.
3. The holding of farm management schools and workshops (oftentimes in cooperation with credit agencies) could be concentrated in RAD areas with particular emphasis on farm adjustment opportunities disclosed or created by RAD Programs.
4. Individual management counseling efforts could also be stressed in the RAD areas by local extension personnel with strong backstop-ping given by farm management specialists. Obviously, in both the schools and in individual counseling, the movement out of agriculture would often be a relevant alternative under consideration.
5. In cooperation with individual farmers and credit institutions, TVA, or other appropriate institutions, "demonstration" or "study" farms could be set up in the RAD areas which would have the aim of indicating satisfactory scale and enterprise organization. Linear programming may be used particularly to motivate participation and interest.
6. In cooperation with marketing specialists, an identification could be made of the probable interregional competitive position of pertinent enterprises for the RAD area through production and marketing cost comparisons. Such information could be incorporated into publications designed specifically for the RAD area and the analysis involved could be strongly emphasized. This kind of analysis would be strongly relied on in all farm management educational efforts in the RAD area and could be given special emphasis through informational channels.
7. Farm management work and activity on farm business and contractual arrangements could be intensified in the RAD area. If rapid increases in agricultural adjustments are to be made, there would be a great need and opportunity to use these facilitating instruments in solving the problems and possibilities disclosed in the RAD areas.
8. Farm management specialists (often in cooperation with other economists) could give special attention to analyzing area income effects of increased agricultural production, improved efficiency and/or shifts in agricultural enterprises. For example, if hog production were doubled or halved in the RAD area, what would be the opportunity costs and multiplier effects on the area's income?

9. To work with marketing specialists in analyzing the potential possibilities of new agricultural supply and marketing firms for the RAD areas.

AREAS OF FARM MANAGEMENT EMPHASIS BY FES STAFF

We have been asked, as part of the FES staff, to indicate what areas of work we feel we might give special emphasis in the 6-month period, January-July 1962.

In doing this for farm management and production economics, we gave consideration to the broad and long-time aspects of farm management work. We realize that situations and programs vary between States, but as a result we came out with the list of areas of work shown below which look to us to be most important for the period immediately ahead:

1. Development of farm management plans of work within the framework of Project 3.
2. Orientation of farm management programs and materials to specifically serve in implementing the RAD Program in designated RAD areas.
3. Developing more effective farm management programs and materials which will facilitate individual and over-all adjustments in agricultural production. (This includes work on Government programs.)
4. Development of farm management programs which would give more attention to the increased use of credit and capital in the farm business. This includes programs in cooperation with credit agencies.
5. Development of effective combinations of group and individual teaching for intensive management programs with farm families, such as farm and home development.
6. Developing in-service training programs for extension workers in economics and management.
7. Organization of mail-in record projects for optimum service to farm management programs.
8. Improving and expanding programs and materials to meet the increasing need and demand for better farm business arrangements such as leases, contracts, wills, etc.

1962 AFEA SUGGESTIONS

Dr. Bushrod Allin, president of the American Farm Economics Association, has asked our Division for suggestions for extension sessions at next year's annual meeting. Our Branch is planning to submit a proposal for a farm management session. If you have any ideas let us hear from you in the next 2 or 3 weeks and we will try to incorporate them into our proposals. If you prefer, you might send them direct to president Allin.

Sincerely yours,

Buel Lanpher

Farm Management and Production Economics Branch

Buel Lanpher, Chief

E. P. Callahan

L. M. Vaughan

Virgil Gilman

E. A. Johnson

1. The first part of the report deals with the general situation of the country and the position of the various groups of the population.

2. The second part of the report deals with the economic situation of the country.

3. The third part of the report deals with the social situation of the country.

4. The fourth part of the report deals with the political situation of the country.

5. The fifth part of the report deals with the cultural situation of the country.

6. The sixth part of the report deals with the international situation of the country.

7. The seventh part of the report deals with the military situation of the country.

8. The eighth part of the report deals with the financial situation of the country.

9. The ninth part of the report deals with the judicial situation of the country.

10. The tenth part of the report deals with the administrative situation of the country.

11. The eleventh part of the report deals with the health situation of the country.

12. The twelfth part of the report deals with the education situation of the country.

13. The thirteenth part of the report deals with the conclusion.

14. The fourteenth part of the report deals with the annexes.

15. The fifteenth part of the report deals with the bibliography.

16. The sixteenth part of the report deals with the index.